

February 26, 2007

COPY

Posted: D. Duke

Reply to: Columbia
Email: shamm@rperlaw.com
Private Line: 803-576-3713

Dept: SA

Date: 2/28/07

Time: _____

VIA HAND DELIVERY

The Honorable Charles L. A. Terreni
Chief Clerk/Administrator

The South Carolina Public Service Commission
P.O. Box 11649
Columbia, S.C 29211

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2007 FEB 27 PM 4:18
SC PUBLIC SERVICE
COMMISSION

RE: Docket No. 1997-239-C/Proceeding to Establish Guidelines for an Intrastate Universal
Service Fund ("USF")

Dear Mr. Terreni:

I am writing on behalf of Verizon South Inc. ("Verizon") regarding the notice of hearing that was issued on January 31, 2007 in the above-referenced docket. The South Carolina Telephone Coalition ("SCTC"), Embarq, AT&T and a group of other carriers including the South Carolina Cable Television Association have submitted letters taking various positions concerning how to proceed. All parties acknowledge that because of the pending appeals relating to the South Carolina universal service fund, it would not be appropriate for the Commission to address all potential universal service issues at the scheduled hearing.

Verizon agrees with SCTC and Embarq that moving forward with a hearing at this stage would be premature and would not be an efficient use of the Commission's and parties' resources. Verizon respectfully submits, however, that if the Commission decides to move forward at this stage, it should issue a new notice that establishes a process for identifying issues before the parties submit testimony. If this approach is taken, the issue identification process proposed by AT&T would be acceptable to Verizon.

If you should have any questions or concerns regarding this matter, please feel free to contact me at (803) 771-4400.

Sincerely,


Steven W. Hamm

Cc: Parties of Record

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 97-239-C

IN RE:

Proceeding to Establish Guidelines)
For an Interstate Universal)
Service Fund)

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day, February 26, 2007 (1) copy of Verizon's letter in response to the Public Service Commission's Notice of Hearing in the above referenced docket by placing a copy of same in the care and custody of the United States Postal Service, first class postage prepaid to the following Parties of Record:

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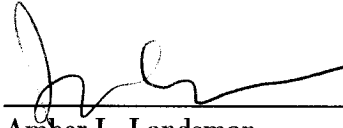
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February 26, 2007
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